



GENERAL INFORMATION AND INSTRUCTIONS FOR COMMISSION QUESTIONNAIRES

STEEL-CONSUMING INDUSTRIES: COMPETITIVE CONDITIONS WITH RESPECT TO STEEL SAFEGUARD MEASURES

Investigation No. 332-452

Further information.--If you have any questions concerning the enclosed questionnaire(s) or other matters related to this investigation, you may contact the following members of the Commission's staff :

***Amelia Preece, Economist (202-205-3250; E-mail APREECE@USITC.GOV)
regarding the purchasers' questionnaire and;***

***Dennis Fravel, International Trade Analyst (202-205-3404; E-mail DFRAVEL@USITC.GOV)
regarding the U.S. ports and related service providers' questionnaire.***

GENERAL INFORMATION AND INSTRUCTIONS

GENERAL INFORMATION

Background.—In 2001, the U.S. International Trade Commission (Commission) conducted an investigation on certain steel products (Investigation No. TA-201-73) under section 202 of the Trade Act of 1974 (19 U.S.C. § 2252) (the Act).¹ Following receipt of a report from the Commission in December 2001 containing determinations and remedy recommendations by the Commission on certain of those steel products,² the President, pursuant to section 203 of the Act (19 U.S.C. § 2253),³ imposed import relief (safeguard measures) in the form of tariffs and tariff-rate quotas on imports of certain steel products for a period of 3 years and 1 day effective March 20, 2002.⁴

Following receipt of a request on March 18, 2003, from the Committee on Ways and Means (Committee), U.S. House of Representatives, the Commission instituted investigation No. 332-452, *Steel-Consuming Industries: Competitive Conditions with Respect to Steel Safeguard Measures*, under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)).

BACKGROUND: As requested by the Committee, the Commission is investigating the current competitive conditions facing the steel-consuming industries in the United States, with respect to the safeguard measures imposed by the President effective March 20, 2002, and with respect to foreign competitors not subject to such measures. As requested, the Commission is conducting its analysis along sectoral lines in order to assess the impact on differing segments of the U.S. manufacturing sector; and also examine the data as related to steel products on which the President imposed steel safeguard measures. The Commission will address the effects of the safeguard measures on steel consuming industries and on industries that rely on steel imports such as the ports, including the following:

(1) changes in employment, wages, profitability, sales, productivity, and capital investment of steel-consuming industries;

(2) an examination of the reported effects of the safeguard remedies on factors such as steel prices paid by consuming industries, steel shortages/availability, the ability of steel consumers to obtain required products or quality specifications, lead times and delivery times, contract abrogation, sourcing of finished parts from overseas by customers of steel consumers, and the relocation or shift of U.S. downstream production to foreign plants or facilities;

(3) the impact of international competitive factors, such as relative differences in steel costs to foreign steel-consuming industries, on steel consumers' exports and imports of steel-containing products;

¹ See, <http://www.access.gpo.gov/uscode/uscmmain.html>.

² For additional information on the Commission's section 201 investigation, report, and remedy recommendations, see <http://www.usitc.gov/steel/>.

³ See, <http://www.access.gpo.gov/uscode/uscmmain.html>.

⁴ Product groups included in investigation No. TA-201-73 determined not to cause injury to a domestic industry, and therefore not covered in the remedy or included in the current investigation are: (1) grain oriented silicon electrical steel (GOES), (2) carbon and alloy steel ingots, billets, and blooms, (3) carbon and alloy steel rails and railway products, (4) carbon and alloy steel wire, carbon and alloy steel strand, rope, cable, and cordage, (5) carbon and alloy steel nails, staples, and woven cloth, (6) carbon and alloy steel heavy structural shapes and sheet piling, (7) carbon and alloy steel fabricated structural units, (8) carbon and alloy steel seamless products (9) welded oil country tubular goods (OCTG), (10) tool steel, all forms, (11) stainless steel ingots, billets, and blooms, (12) stainless steel cut-to-length plate, (13) stainless steel woven cloth, (14) stainless steel rope, (15) stainless steel tubular products, and (16) stainless steel flanges and fittings.

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(4) an examination of any shifts in steel-consuming patterns in the United States, i.e., how much steel was purchased from domestic steel producers by U.S. steel-consuming industries before the safeguard action, and how has this sourcing changed following the implementation of the safeguard measures; and

(5) a discussion of the likely impact on employment, profitability, capital investment, and international competitiveness of steel-consuming industries of (i) continuation of the safeguard measures for the period September 2003 - March 2005 and (ii) termination of the safeguard measures effective September 20, 2003.

In addition, as requested, the Commission will provide an analysis of the potential economy-wide effects of these safeguard measures (e.g., on costs borne by steel consumers, tariff revenues entering the U.S. Treasury, income to steel producers, and the net effect on the U.S. economy) using appropriate simulation models.

Due date of questionnaire(s).—Return the completed questionnaire(s) to the United States International Trade Commission by no later than **June 4, 2003**. Use of an overnight mail service may be necessary to ensure that your response actually reaches the Commission by **June 4, 2003**. Please make sure all completed **purchasers'** questionnaires are sent to the attention of **Cindy Cohen** at the Office of Economics, Room 603-E, United States International Trade Commission, Washington, DC 20436. Please make sure all completed **U.S. ports and related service providers'** questionnaires are sent to the attention of **Dennis Fravel** at the Office of Economics, Room 511-M, United States International Trade Commission, Washington, DC 20436.

Additional questionnaires will be supplied promptly upon request, or photocopies of the enclosed questionnaire(s) may be used. Address all correspondence to the United States International Trade Commission, Washington, DC 20436. Hearing-impaired individuals can obtain information regarding this investigation via the Commission's TDD terminal (202-205-1810).

Confidentiality.--The commercial and financial data furnished in response to the enclosed questionnaire(s) that reveal the individual operations of your firm will be treated as confidential by the Commission to the extent that such data are not otherwise available to the public and will not be disclosed except as may be required by law. Such confidential information will not be published in a manner that will reveal the individual operations of your firm; however, nonnumerical characterizations of numerical business proprietary information (such as discussion of trends) will be treated as confidential business information only at the request of the submitter for good cause shown. Section 332(g) provides that the Commission may not release information which the Commission considers to be confidential business information, unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Commission, or such party subsequently consents to the release of the information. The Committee has requested that the Commission provide a non-confidential (public) report.

In addition, by signing the certification on the cover page of each questionnaire(s), the signing official authorizes that information submitted in this questionnaire response and throughout this investigation may be used by the Commission, its employees, and contract personnel who are acting in the capacity of Commission employees, for developing or maintaining the records of this investigation or related proceedings for which this information is submitted, or in internal audits and investigations relating to the programs and operations of the Commission pursuant to 5 U.S.C. Appendix 3. All contract personnel will sign non-disclosure agreements.

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Verification.—The information submitted in the enclosed questionnaire(s) is subject to audit and verification by the Commission. To facilitate possible verification of data, please keep all your workpapers and supporting documents used in the preparation of the questionnaire response(s).

INSTRUCTIONS

Answer all questions.—Do not leave any question or section blank unless a questionnaire expressly directs you to skip over certain questions or sections. If the answer to any question is “none,” write “none.” **If information is not readily available from your records in exactly the form requested, furnish carefully prepared estimates--designated as such by the letter “E”--and explain the basis of your estimates.** Answers to questions and any necessary comments or explanations should be supplied in the space provided or on separate sheets attached to the appropriate page of the questionnaire(s).

Consolidate all U.S. establishments.—Report the requested data for your establishment(s) located in the United States. **Firms operating more than one establishment should combine the data for all establishments into a single report.**